A2500-2

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 2 FEBRUARY, 1985

PAPER AND PAPERBOARD PRODUCTION, JANUARY 1985: TREND FLATTENING

Production of paper and paperboard started the new year at a trend rate (average of January 1985 and December 1984 seasonally adjusted rates) that was about 1% above that of both the last quarter of 1984 and the average rate for all of 1984. Total paper and paperboard production was 1.7% over its January 1984 level in January 1985, with paper up 1.5% and paperboard up 1.8%.

Paper: Coated printing paper production continues to show the greatest strength in the paper grades, reflecting the growing demand for these papers by magazines, catalogues, commercial printing and book publishing. Last year production of these papers was at a record high of 6.2 million tons, 9.3% above the 1983 level and within 3% of capacity as reported in the API's November 1984 Capacity Survey. Data through the first five weeks of 1985 show the level of new orders above the shipments rate.

The strength in demand for coated papers is also reflected in the rate of imports. Imports of coated papers plus impregnated papers in 1984 totaled 428,000 tons, and were equivalent to 6.5% of the total new supply of coated papers, as here defined. Imports of these papers in the fourth quarter of 1984 were at the rate of 471,000 tons per year, confirming the intensity of the current demand for coated papers. API combines the reported Census data on imports of impregnated with those of coated papers, inasmuch as they serve similar markets. Technically, the impregnated papers are classified with converted papers, but they compete directly with the primary papers.

As the tables on the yellow Fact Sheet and on page 3 show, production of most of the other grades of printing and writing papers were above their year-ago levels, although uncoated groundwood papers showed a 9.3% decline. However, weekly data indicate that new orders for these papers improved sharply during the last two weeks in January and shipments also began to move up. As the table on page 3 shows, the total orders for uncoated groundwood papers in January were well above the level of shipments.

Demand for the packaging and industrial grades of paper tended to be on the soft side during the early weeks of 1985, with the production rate 4% below its year-ago level. Demand for grocers sacks held up fairly well, but shipping sack demand was down.

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Paperboard: The January 1985 data indicate some strengthening in the demand for bleached board (SBS). Production for export was a shade above its year-earlier level. Production of milk carton stock was up 16% from its year-ago level; plate, dish and tray stock gained 24% and other uses 11%. Demand for paperboard milk cartons appears to have reversed a long term downtrend during 1984.

Demand for folding boxboard also appears to have held the gains evident during 1983 and 1984. The January 1985 production total for all folding boxboard ws 4.6% above its year-ago level. However, the gains were concentrated in the recycled grades -- including coated and white lined, with the solid bleached grades falling about 1% below their January 1984 total.

Production of kraft paperboard continued along its rising trend in January 1985, at a seasonally adjusted rate that was well above its 1984 average. This trend is consistent with the latest data available on shipments of corrugated containers: the December 1984 seasonally adjusted rate of shipments made a new high at more than 270 billion square feet per year.

However, inventories of containerboard at mills and boxplants are also at high levels. Inventories on January 1, 1985 were 16% above their year-earlier total, and were equivalent to 8.4 weeks of supply; considerably above the 7.2 weeks of supply on hand on January 1, 1984.

Although recycled folding boxboard production showed a solid gain in January 1985, declines in some of the other packaging grades and in the non-packaging grades (production of gypsum wallboard facings was down 10%, for example) held total recycled paperboard production at its year-ago level. The data in the table on page 3 show that the 1984 production total for recycled paperboard was revised downward by 113,000 tons, reflecting new estimates of non-reporting tonnages. While this adjustment reduced the 1983-1984 gain to 6.2%, the strong uptrend in the demand for recycled paperboard previously reported for 1983 and 1984 shows up in the new figures, and the 1984 total is still very close to the record high established in 1973 and well above the total of any year other than 1973. But while the 1973 production total was swollen by a huge demand for inventories of paperboard and paperboard products, there is no indication that the 1984 inventory demand accounted for anything like the 1973 volume.

Imports, Exports and New Supply

The import and export totals for all of 1984 are now available and they verify the trends evident throughout the year. Total paper and paperboard imports, as shown in the table on page 9, amounted to 10,355,000 tons, a new high and some 24% above the 1983 level. When the converted products and construction grades are taken into account, the total expands to 11,075,000 tons, 23% above the 1983 level.

Continued on Page 11

PAPER AND PAPERBOARD STATISTICS

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Short Tons)

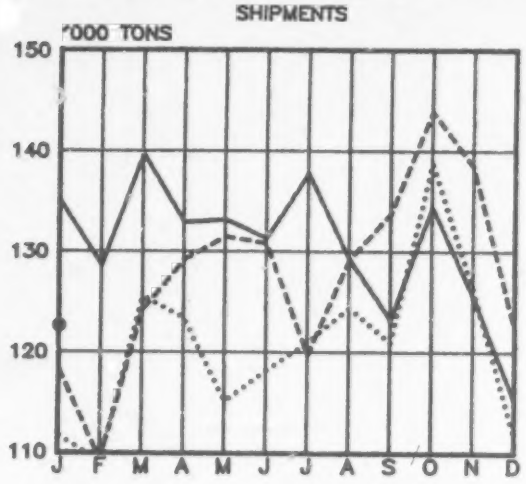
	YEAR 1983	YEAR 1984	OCT. 1984	NOV. 1984	DEC. 1984	JAN. 1985	Annual Rate Y-T-D 1985	% Change From same Period Last Year
PAPER								
Newsprint - Production	5167	5539	470	460	429	469	5622	2.0
- Shipments	5153	5584	469	466	431	457	5486	0.1
Printing & Writing sum	17387	18406	1624	1512	1427	1590	19084	3.7
Groundwood Paper - Shipments	1531	1564	135	126	113	122	1469	-9.3
- New Orders	1581	1599	139	112	124	148	1782	6.3
-Unfilled Orders	145	164	165	153	164	203	203	39.6
Coated Papers - Shipments	5696	6227	553	527	504	556	6672	9.5
- New Orders	5864	6214	553	527	504	553	6634	12.4
- Unfilled Orders	513	573	570	561	573	579	579	19.8
Unctd Free Sheet - Shipments	8767	9148	804	747	693	794	9533	2.1
- New Orders	9076	8879	797	733	693	777	9323	4.4
- Unfilled Orders	687	431	442	427	431	426	426	-32.6
Thin Papers - Shipments	328	338	30	26	25	29	343	2.9
Cotton Fiber Paper - Shipments	131	142	13	11	11	12	142	1.7
Bleached Bristols - Production	934	989	91	76	81	77	925	5.3
Tissue Paper - Production	4789	4921	434	420	420	403	4837	-0.8
Total Packaging & Other Paper	5497	5557	468	428	387	456	5466	-4.0
Unbl. Kraft Paper - Shipments	3666	3667	313	289	256	302	3628	-2.3
Other Paper - Production	1832	1889	156	139	131	153	1838	-7.2
TOTAL PAPER-Production-Unadj. *	32840	34422	2997	2820	2663	2917	35009	1.5
-Production-S.A. *			2887	2840	2848	2941	35292	1.5
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26401	2234	2128	1928	2162	25946	2.3
Unbl. Kraft Linerboard (1)	15001	16032	1349	1309	1154	1318	15811	4.0
Production for Export	2281	1975	131	112	126	110	1322	-28.6
Other Unbl. Kraft Paperboard	1121	1147	99	82	77	90	1083	-4.0
Semichemical Paperboard	4731	5162	439	411	392	417	4998	-3.4
Production for Export	193	151	10	16	11	8	95	-35.4
Solid Bleached Paperboard	3926	4059	346	326	305	338	4054	5.1
Production for Export	515	470	39	37	37	41	494	1.8
Recycled Paperboard	7398	7858	678	627	567	682	8184	.0
Production for Export	24	21	2	2	4	2	19	18.6
TOTAL PAPERBOARD-Prod.-Unadj. *	32177	34259	2912	2755	2495	2844	34130	1.8
- Containerboard Prod.(Dom. Use)	19173	20930	1798	1730	1538	1778	21335	4.7
- Boxboard Prod.(Dom. Use) (2)	5551	5908	521	486	435	554	6643	14.4
- All Other P'bd Prod.(D.U.) (2)	4441	4804	412	373	344	513	6152	26.9
- Total Paperbd Prod. for Export	3012	2617	182	166	178	161	1929	-22.8
TOTAL PAPERBOARD PROD.- S.A. *			2794	2760	2919	2887	34649	1.8
TOTAL PAPER AND PAPERBOARD								
Production - actual *	65017	68681	5908	5575	5158	5762	69139	1.7
Production - S.A. *			5681	5600	5766	5828	69942	1.7

(1)Includes all exports of kraft paperboard.
(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
R Revised
S.A. Seasonally Adjusted

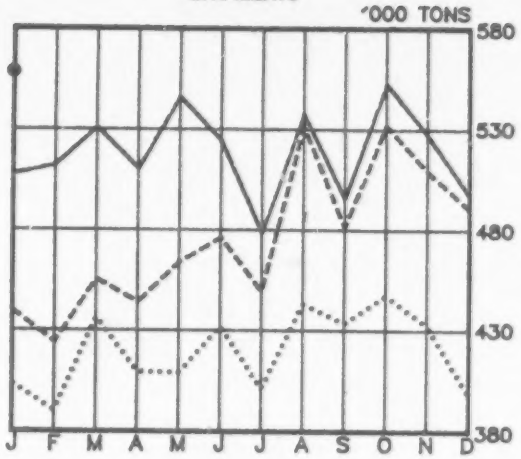
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



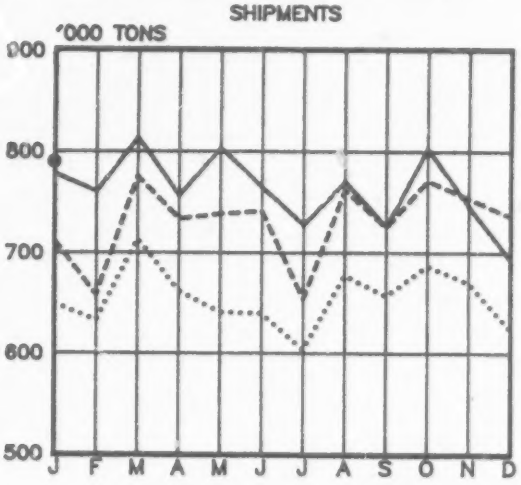
COATED PAPER

SHIPMENTS



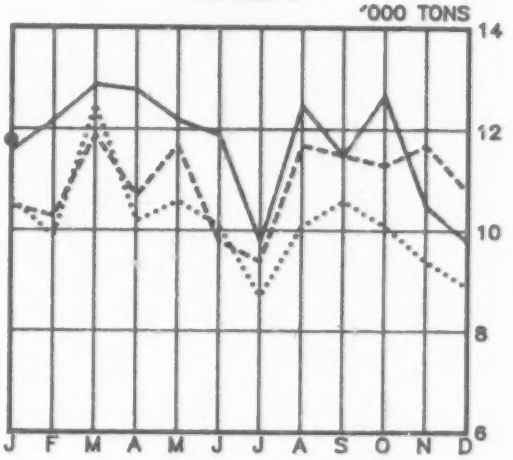
UNCOATED FREE SHEET PAPERS

SHIPMENTS



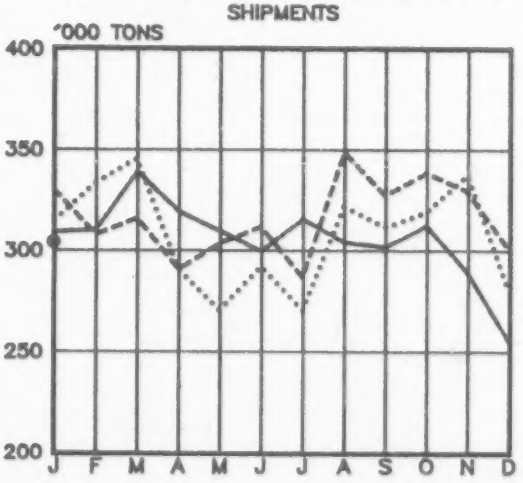
COTTON FIBER PAPER

SHIPMENTS



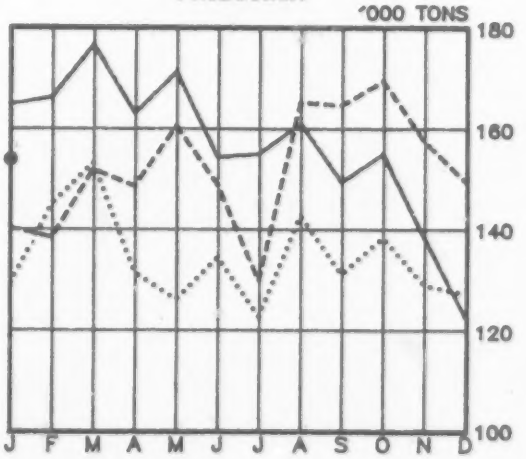
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



1982 ····· 1983 - - - - - 1984 ——

1985 ●

WOOD PULP STATISTICS
(Thousands of Tons)

	YEAR 1982	YEAR 1983	SEPT. 1984	OCT. 1984	NOV. 1984	DEC. 1984	Annual Rate Y-T-D 1984	% Change from same Period Last Year
TOTAL WOOD PULP					R	P		
Total Wood Pulp - Production	49334	52537	4567	4773	4508	4350	55579	5.8
- Imports	3656	4093	386	344	415	416	4490	9.7
- Exports	3395	3644	285	284	274	311	3594	-1.4
- New Supply	49595	52986	4668	4833	4649	4455	56475	6.6
Dissolving Pulp - Production	1092	1261	73	103	101	87	1206	-4.3
- Imports	186	192	23	9	8	18	161	-16.2
- Exports	631	647	49	48	28	65	595	-8.0
- New Supply	647	806	47	64	81	40	772	-4.2
Paper Grades - Production	39478	42358	3707	3846	3645	3486	44739	5.6
Chemical Pulp - Imports	3302	3706	330	323	359	361	4023	8.5
- Exports	2736	2958	232	232	241	242	2945	-0.4
- New Supply	40044	43106	3805	3937	3763	3605	45817	6.3
Groundwood and - Production	5064	5067	455	462	436	447	5534	9.2
Thermo-Mech. - Imports	167	195	33	11	48	37	306	57.3
- Exports	27	40	4	4	4	4	54	36.3
- New Supply	5204	5222	484	469	480	480	5786	10.8
Semi-Chemical - Production	3699	3851	334	361	326	330	4100	6.5
- Imports	0	0						
- Exports	0	0	- - - - -	Included in Groundwood Pulp			- - - - -	
- New Supply	3699	3851	334	361	326	330	4100	6.5
MARKET WOOD PULP								
Total Market - Production	5732	6478	535	632	580	540	6834	5.5
Wood Pulp - Imports	2443	2945	273	250	283	311	3256	10.6
- Exports	3143	3421	310	245	248	316	3499	1.1
- New Supply	5032	6002	498	637	615	535	6621	10.5
Dissolving Pulp - Production	1089	1260	73	103	101	86	1197	-5.0
- Imports	194	210	28	13	11	20	204	-3.0
- Exports	675	698	66	42	52	69	690	-1.1
- New Supply	608	772	35	74	60	37	710	-8.0
Paper Grades - Production	4643	5206	461	528	478	453	5623	8.0
Chemical Pulp - Imports	2202	2698	241	229	248	272	2952	9.4
- Exports	2468	2723	244	204	196	247	2769	1.7
- New Supply	4377	5181	458	553	530	478	5806	12.1
Groundwood Pulp - Production	1	12	1	1	1	1	14	16.1
and All Other - Imports	46	38	4	8	24	19	100	165.2
- Exports	0	0	0	0	0	0	0	0.0
- New Supply	47	50	5	9	25	20	114	130.0

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

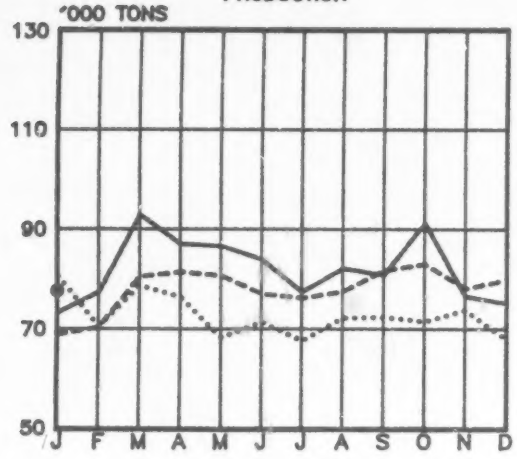
FIBROUS RAW MATERIALS
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS					R	P		
Total	61332	65674	5761	5994	5730	5505	70105	6.7
Total Wood Pulp	47767	50978	4490	4613	4406	4297	54216	6.4
Waste Paper	13565	14696	1271	1381	1324	1208	15889	8.1
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	177	170	160	164	159	175	175	2.9
Market Pulp at Pulp Mills	437	384	418	502	591	581	581	51.3
Mkt Pulp at Ppr. & Bd. Mills *	429	504	508	474	470	459	459	-8.9
Waste Paper at Paper &Bd. Mills	1022	923	931	976	992	1025	1025	11.1
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	37	26	30	34	42	50	50	92.3

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.
* - Census data prior to 1982; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

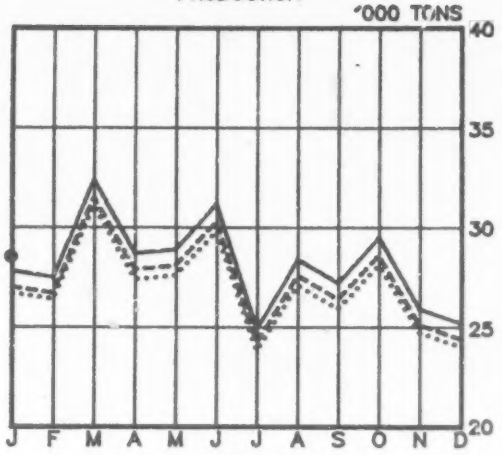
BLEACHED BRISTOLS

PRODUCTION



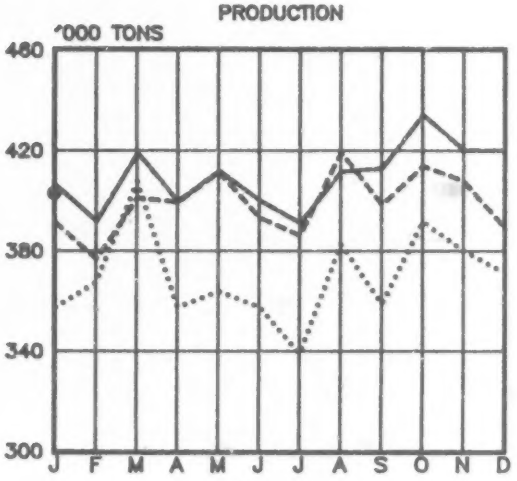
THIN PAPER

PRODUCTION



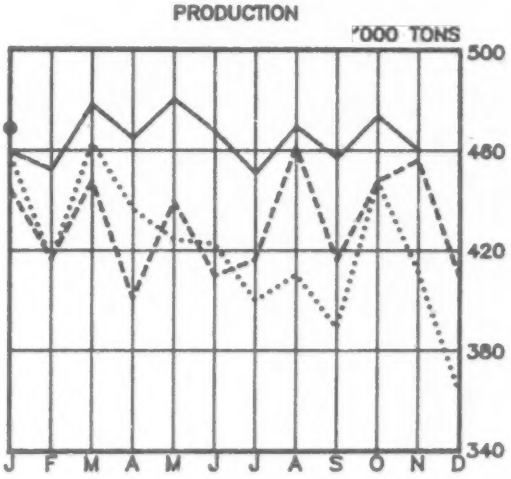
TISSUE PAPER

PRODUCTION



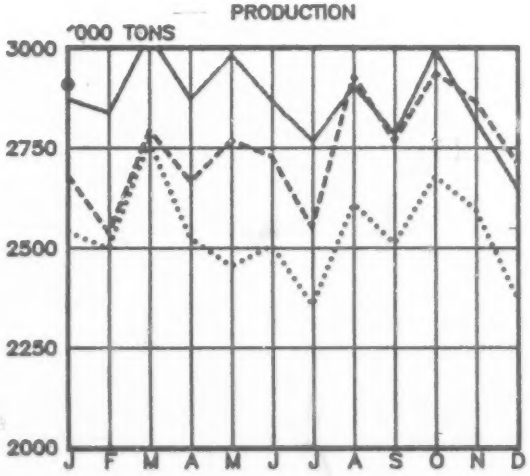
NEWSPRINT

PRODUCTION



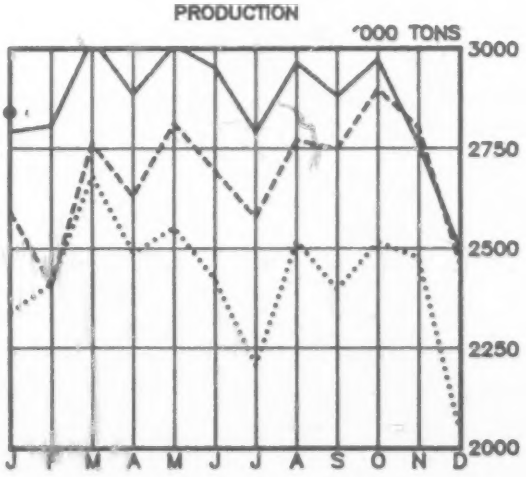
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1982 ····· 1983 - - - - - 1984 ——— 1985 ●

F I B R O U S R A W M A T E R I A L S
(Thousands of Standard (128 cubic foot) Cords)

		YEAR 1982	YEAR 1983	SEPT. 1984	OCT. 1984	NOV. 1984	DEC. 1984	Annual Rate Y-T-D 1984	% Change from same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	78519	84475	7398	7971	6996	7000	88249	4.5
	- Total Consumpt	79039	85442	7246	7625	7153	6875	87646	2.6
	- Residues *	31152	32755	2526	2844	2568	2427	32069	-2.1
	- Inventories	5426	5229	5023	5475	5314	5574	5574	6.6
So. Atlantic	- Total Receipts	23769	25736	2464	2702	2372	2281	27654	7.5
	- Total Consumpt	23725	25847	2464	2569	2323	2182	27344	5.8
	- Residues *	8273	7904	680	770	682	638	8198	3.7
	- Inventories	1165	1163	1163	1366	1333	1444	1444	24.2
Northeast	- Total Receipts	7283	7051	623	698	611	616	7435	5.4
	- Total Consumpt	7221	7274	595	670	560	613	7474	2.7
	- Residues *	1452	1199	133	136	126	147	1501	25.2
	- Inventories	652	577	491	531	545	590	590	2.3
South Central	- Total Receipts	26510	29409	2529	2627	2310	2492	30693	4.4
	- Total Consumpt	27153	29152	2483	2511	2529	2444	30502	4.6
	- Residues *	8616	9218	705	821	749	705	9059	-1.7
	- Inventories	1346	1536	1186	1354	1287	1304	1304	-15.1
North Central	- Total Receipts	5601	6265	526	572	523	513	6859	9.5
	- Total Consumpt	5706	6343	511	543	532	467	6563	3.5
	- Residues *	1517	1822	116	119	116	91	1472	-19.2
	- Inventories	925	851	866	883	848	906	906	6.5
West	- Total Receipts	15356	16014	1256	1372	1180	1098	15607	-2.5
	- Total Consumpt	15234	16026	1193	1332	1209	1169	15763	-6.3
	- Residues *	11294	12612	892	998	898	846	11842	-6.1
	- Inventories	1338	1102	1317	1341	1301	1330	1330	20.7

* - Consumption of Residues in Cord Equivalents. SOURCE: American Pulpwood Association

U N I T E D S T A T E S T R A D E W I T H C A N A D A

IMPORTS FROM CANADA

	YEAR 1983 Tons	YEAR 1983 $000's	NOV. 1984 Tons	NOV. 1984 $000's	DEC. 1984 Tons	DEC. 1984 $000's	Annual Rate Y-T-D 1984	% Change from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	155124	7471	31923	1693	12251	570	207520	33.8
Pulpwood chips	1987168	48979	128077	2797	129458	2981	2061270	3.7
Wood Pulp, Total	3755201	1363975	367573	153145	341730	138877	4058913	8.1
Waste Fibrous Materials, Total	157733	26491	11114	1508	9036	1142	151957	-3.7
Paper, Board & Products, Total	8274914	3343101	796219	353520	753632	336023	9328861	12.7
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	8221322	3244437	789863	343121	747035	327016	9258530	12.6
Paper, Paperboard & Products	7846518	3248349	759863	345382	730449	330557	8875650	13.1
Paper & Paperboard, Only	7792924	3149685	753507	334983	723852	321550	8805318	13.0
Paper, Total	7633585	3109568	737523	329916	705939	316480	8589671	12.5
Newsprint	6845126	2732234	648895	282254	625038	272778	7681341	12.2
Printing, Writing & Rel. Pap.	695907	318887	75342	39962	70415	37180	780456	12.1
Pack. & Ind. Conv. Paper	79209	46889	10067	5454	6745	4083	101131	27.7
Special Industrial Paper	7832	4473	192	325	254	387	3232	18.3
Tissue Paper	13602	7085	3028	1922	3487	2092	23512	121.8
Paperboard, Total	159339	40117	15984	5067	17913	5070	215648	35.3
Convtd Paper&Paperbd Products	53592	98664	6356	10399	6597	9007	70331	31.2
Wet Machine Board	3037	1916	252	164	55	37	2098	-30.9
Construction Paper & Board	425362	92836	36104	7973	23128	5429	451113	6.1

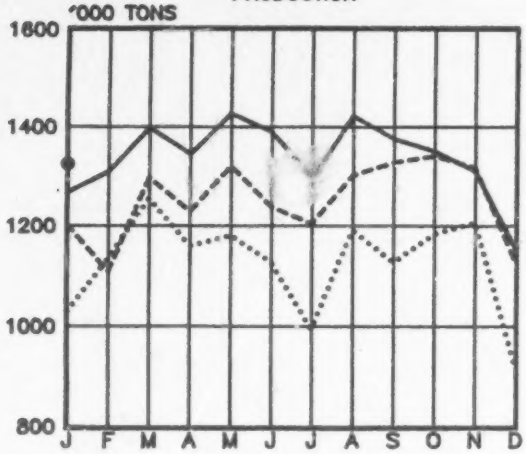
EXPORTS TO CANADA

Pulpwood, Roundwood (in cords of 128 cubic feet)	68965	4381	12781	732	11527	691	95117	37.9
Pulpwood chips	38246	2026	1310	92	1401	91	28445	-25.6
Wood Pulp, Total	133633	55369	13207	5956	16489	7528	180850	35.3
Cotton Pulp & Other Pulp	9567	5287	1088	919	751	479	10474	9.5
Waste Paper	346809	39478	26217	3087	20089	2277	325712	-6.1
Paper, Board & Products, Total	659229	471256	56455	44579	63809	35389	756499	14.8
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Bd.	448117	306687	41344	28900	54153	25411	569696	27.1
Paper, Paperboard & Products	628109	459325	54513	43753	61968	34504	726888	15.7
Paper & Paperboard, Only	416998	294756	41402	28074	52311	24526	540085	29.5
Paper, Total	230771	210626	20533	20169	28654	16997	296791	28.6
Newsprint	4312	3805	207	201	293	238	4493	4.2
Printing, Writing & Rel. Pap.	125110	101541	10561	10582	10837	9444	137839	10.2
Pack. & Ind. Conv. Paper	34403	20921	4693	2294	4288	2135	46661	35.6
Special Industrial Paper	63390	81389	4516	6582	12990	4895	104039	64.1
Tissue Paper	3556	2969	557	511	246	284	3758	5.7
Paperboard, Total	186226	84131	20869	7905	23657	7529	243294	30.6
Convtd Paper&Paperbd Products	211112	164568	13111	15679	9657	9978	186803	-11.5
Wet Machine Board	5289	2976	339	240	589	451	5312	0.4
Construction Paper & Board	25831	8955	1602	586	1252	435	24299	-5.9

SOURCE: Bureau of Census, Department of Commerce . E - Estimate of tonnage based on square foot data

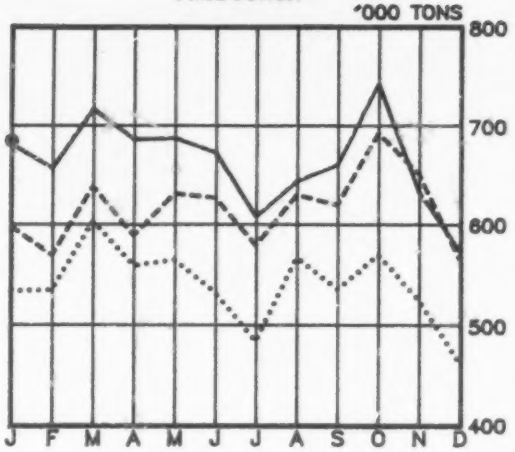
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



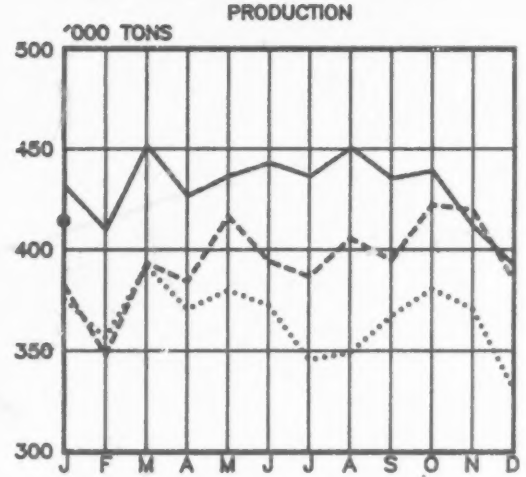
RECYCLED PAPERBOARD

PRODUCTION



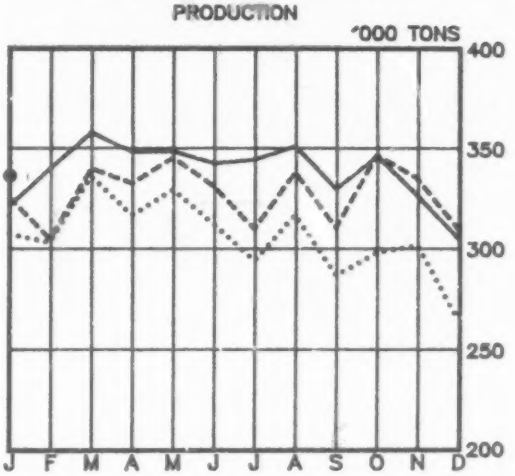
SEMICHEMICAL PAPERBOARD

PRODUCTION



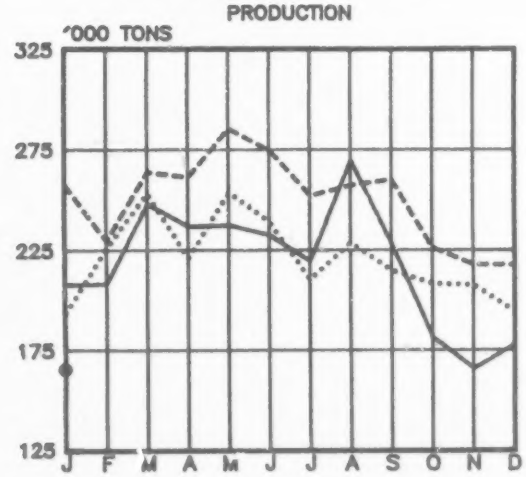
SOLID BLEACHED PAPERBOARD

PRODUCTION



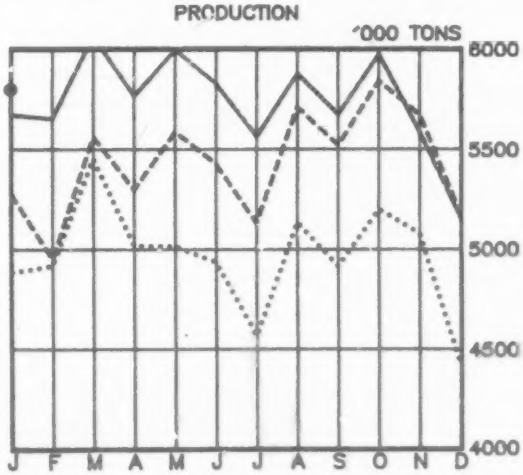
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1982 ····· 1983 - - - - - 1984 ——— 1985 •

PULP PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

IMPORTS

	YEAR 1983 Tons	YEAR 1983 $000	NOV 1984 Tons	NOV 1984 $000	DEC 1984 Tons	DEC 1984 $000	(1) Annual Rate Y-T-D 1984	% Change from same Period Last Year
Pulpwood Roundwood (cords)	155124	7471	32071	1706	12251	570	207733	33.9
Pulpwood Chips	1991453	49104	128666	2805	129465	2982	2062545	3.6
Total All Imports	13248280	5526141	1376914	648792	1269216	584249	15739465	18.8
Wood Pulp Total	4093436	1472478	415238	173175	415679	167622	4490081	9.7
Waste Paper	100410	10537	8747	884	8275	912	109712	9.3
Other Fibrous Materials	68003	24272	3659	1325	2521	1257	64366	-5.3
Paper Board & Products Total	8986431	4018855	949271	473408	842742	414459	11075306	23.2
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	8834560	3582292	927800	425943	825745	377146	10854309	22.9
Paper Ppbd & Prds ex Cnst&WMB	8509180	3911591	908669	464135	817059	407946	10575648	24.3
Paper & Paperboard Only	8357309	3475028	887198	416671	800062	370634	10354651	23.9
Paper Total	8189491	3428868	870005	410757	780700	364572	10112037	23.5
Newsprint	6919348	2757524	664250	287917	637211	277714	7893877	14.1
Printing & Writing	1151011	587426	189491	111968	131114	78100	2042366	77.4
Uncoated Groundwood	732237	331017	111583	59132	69558	36668	1090048	48.9
Uncoated Book	154147	88632	20629	12018	14310	8438	254925	65.4
Coated Print.& Impreg. Pap.	162441	101289	42567	30802	37281	26030	428275	163.7
Bristols	471	557	44	34	72	97	668	41.9
Writing and Similar Paper	81458	46718	13015	8066	7734	4870	222022	172.6
Thin (except Cigarette)	20258	19213	1654	1916	2158	1998	46427	129.2
Total Pkg & Other Paper	107515	75694	12842	8656	8818	6588	145483	35.3
Unbleached Kraft Paper	42013	17454	3841	1790	1716	915	42855	2.0
Other Pkg. & Indust. Paper	65503	58240	9001	6866	7101	5673	102629	56.7
Tissue	11617	8225	3422	2217	3557	2169	30312	160.9
Paperboard, Total	167818	46160	17193	5913	19362	6062	242613	44.6
Test or Containerboard	48119	13042	5896	2130	5222	1754	70027	45.5
Semi-Chemical Corrugating	69564	14509	5853	1559	10844	2769	103967	49.5
Other Paperboard	50136	18609	5444	2224	3297	1540	68620	36.9
Convtd Paper&Paperbd Products	151872	436563	21471	47465	16997	37313	220998	45.5
Paper Products, Total	124816	373966	18377	42322	14415	33055	186199	49.2
Paperboard Products, Total	27055	62597	3094	5143	2581	4258	34799	28.6
Wet machine Board	3584	2422	313	217	95	61	2827	-21.1
Construction Paper & Board	473667	104842	40288	9055	25588	6451	496831	4.9
Notes								
Other: No Weight Avail. ($000)		148251		17583		12508	195737	32.0
Total Imports Incl. Other($000)		5674392		666375		596757	7403369	30.4

EXPORTS

						(1)	(1)	
Pulpwood, Roundwood (cords)	69497	4405	12781	732	11527	691	95441	37.3
Pulpwood Chips	2554176	171269	190059	14750	198036	16111	2325213	-9.0
Total All Exports	10888949	4221511	855157	349747	917628	350650	11300257	4.1
Wood Pulp,Total	3643963	1362022	273980	117138	311400	131549	3593585	-1.4
Cotton Pulp and Other Pulp	102863	69805	5350	4246	8732	6726	84883	-17.5
Waste and Old Paper	2573716	308915	272211	33122	290603	34715	3235441	25.7
Paper, Board & Products,Total	4568407	2480769	303616	195241	306893	177661	4386348	-4.0
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	3984277	1717768	260571	133455	269121	124310	3818793	-4.2
Paper, Ppbd & Prod ex Cnst&WMB	4501039	2448779	298948	192560	300798	173639	4308682	-4.3
Paper & Paperboard, Only	3916910	1685778	255903	130774	263026	120289	3741127	-4.5
Paper, Total	773414	599370	64173	55184	70305	47763	810541	4.8
Newsprint	294870	127119	29331	12750	21167	8916	306197	3.8
Printing & Writing	201798	198304	15934	18994	16041	17245	203155	0.7
Uncoated Groundwood	37289	33300	2241	2186	2891	2529	30404	-18.5
Clay Coated Paper	79182	60033	6158	5439	6477	5410	85714	8.2
Uncoated Free Sheet	59125	71662	5856	8478	5412	6871	65410	10.6
Other Printing & Writing	26202	33310	1679	2890	1261	2436	21627	-17.5
Total Pkg. & Other Paper	260865	255086	17648	22126	31896	20149	284182	8.9
Unbleached Kraft	116170	43227	6463	2815	9249	4321	106710	-8.1
Other Pkg. & Indust. Paper	144695	211859	11184	19311	22647	15827	177472	22.7
Tissue	15881	18861	1260	1315	1202	1453	17008	7.1
Paperboard, Total	3143496	1086408	191730	75590	192721	72526	2930586	-6.8
Solid Wood Pulp	2993868	1016184	176468	70302	175184	67227	2761728	-7.8
Total Linerboard	2254538	575862	122871	39051	118940	39000	2052522	-9.0
Bleached Kraft Linerboard	160253	64914	10067	4154	18442	6265	141366	-11.8
Unbleached Kraft Linerbd	2094285	510948	112804	34897	100497	32735	1911156	-8.7
Other Unbleached Kraft	107141	51822	6380	2986	4209	2073	110877	3.5
Other Bleached Kraft	558431	371357	44307	27150	37438	25006	548721	-1.7
Semi-Chemical Corrugating	73758	17144	2910	1114	14599	1149	49609	-32.7
Recycled Paperboard	149628	70224	15262	5288	17537	5299	168858	12.9
Convtd Paper&Paperbd Products	584129	763001	43045	61786	37772	53350	567555	-2.8
Paper Products, Total	311722	535596	20118	42127	17926	36646	286222	-8.2
Paperboard Products, Total	272408	227406	22927	19659	19846	16705	281334	3.3
Wet Machine Board	11622	5420	930	496	1434	797	13782	18.6
Construction Paper & Board E	55746	26570	3739	2185	4661	3225	63885	14.6
Notes								
Other: No Weight Avail. ($000)		7965		745		662	8842	11.0
Total Exports Incl. Other($000)		4229475		350492		351312	4533989	7.2

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1983	1984	OCT.	NOV.	DEC.	JAN.	Annual Rate Y-T-D 1984	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	298.3	299.4	298.4	297.8	297.8	6.1
Pulp Paper & Products, ex. Building Grades & ex Waste Paper *	273.3	294.2	299.4	304.5	300.0	299.6	299.6	6.2
Total Wood Pulp	347.1	395.0	399.5	398.4	392.7	383.5	383.5	4.7
Total Paper	282.3	303.2	308.0	308.2	307.1	307.0	307.0	4.4
Total Paper, exc. Newsprint	277.0	301.2	303.1	303.6	302.2	303.0	303.0	2.7
Newsprint	303.0	324.1	338.2	336.9	336.9	336.9	336.9	8.8
Total Paperboard	250.8	280.6	291.8	293.4	292.4	288.9	288.9	10.2
Total Paper and Paperboard *	272.4	296.1	302.9	303.6	302.5	301.3	301.3	6.0
Converted Products	265.4	280.7	285.8	288.1	288.0	289.0	289.0	7.3
Waste Paper	158.6	222.9	235.6	221.4	206.0	190.8	190.8	-9.8
All Commodities	303.1	310.4	309.4	310.4	309.9	309.8	309.8	0.6
Industrial Commodities	315.7	322.6	323.2	323.8	323.0	323.2	323.2	1.3

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API

Paper Plus Paperboard
New Supply

	Production	Imports	Exports	New Supply	Real GNP (Bil. 1972 $)	New Supply to Real GNP 000T/Bil. $
	(000 Tons, Annual Rate)					
1976	55,151	7,042	3,388	58,805	1298.2	45.3
1977	56,823	7,294	3,171	60,946	1369.7	44.5
1978	58,744	8,781	3,301	64,224	1438.6	44.6
1979	61,271	8,738	3,610	66,399	1479.4	44.9
1980	61,147	8,304	5,148	64,303	1475.0	43.6
1981	62,262	7,941	4,561	65,642	1513.8	43.4
1982	59,456	7,602	4,187	62,871	1485.4	42.3
1983						
I	62,489	7,654	4,244	65,899	1491.0	44.2
II	62,895	8,643	4,726	66,812	1524.8	43.8
III	66,528	8,279	4,657	70,150	1550.2	45.3
IV	68,157	9,461	4,377	73,241	1572.7	46.6
Average	65,017	8,509	4,501	69,025	1534.7	45.0
1984						
I	68,381	9,967	4,209	74,139	1610.9	46.0
II	68,186	10,587	4,752	74,021	1638.8	45.2
III	69,913	11,389	4,461	76,841	1645.2	46.7
IV	68,246	10,360	3,812	74,794	1664.8	44.9
Year	68,681	10,575	4,309	74,947	1639.9	45.7

Continued from Page 2

A good part of this increase occurred in the printing and writing paper grades. Total imports of these grades amounted to more than 2 million tons, an astonishing 77% above the 1983 level. This total was equivalent to 10% of the total new supply (production plus imports less exports) of these grades. However, imports of groundwood papers, at 1,090,000 tons, accounted for more than half the imports total, reflecting the shift of groundwood paper production to Canadian producers.

Newsprint imports continued to be the largest single grade imported; the total of 7,894,000 tons was 14% above its 1983 level. This gain resulted in a turnaround of the share of U.S. newsprint new supply supplied by imports. The 1984 ratio was 60%, compared to 59% in 1983 and 58% in 1982.

Imports of wood pulp in 1984 also showed a strong increase, moving to 4,490,000 tons, 9.7% above the 1983 total. As the table on page 5 shows, the tonnage gains were concentrated in paper grade chemical pulp, while imports of dissolving pulp declined sharply. There was a large percentage increase in the groundwood and thermomechanical pulps but the tonnage total was only in the neighborhood of 300,000 tons.

Although exports of paper, paperboard and products rose slightly in December from the November level, the 1984 total, 4,386,000 tons, was 4% below the 1983 level. Wood pulp exports followed a similar pattern. According to the Bureau of Census the total was 3,594,000 tons, 1.4% below the comparable 1983 level. API data show that export shipments of chemical paper grade market pulp in 1984 were up by 1.7% from the 1983 level. Half these shipments went to Western Europe and the United Kingdom; 19% to Japan and 31% to other markets.

Exports of waste paper in 1984 moved counter to the general trend. At 3,235,000 tons, the total was 25.7% above its 1983 level and marked a new high for this product. Major markets were Korea and Taiwan, which accounted for 46% of the total. Japan and Mexico, the next two largest markets, took 23% of the total.

New Supply

The strong increases in production and imports, accompanied by the slight decline in exports resulted in a major increase in the new supply of paper, paperboard and products in 1984. As a result of this increase, the ratio of new supply to real GNP moved sharply upward, exceeding the levels attained in the 1976-1979 period.

The table on the bottom of page 10 summarizes these trends. It shows data on production, imports, exports and new supply of paper, paperboard and products (excluding the construction grades), together with real GNP and the ratio of new supply to real GNP for the years 1976-1982, with quarterly data for 1983 and 1984.

Continued on Page 12

Continued from Page 11

Sales and Earnings

Data on sales and earnings for 32 paper and allied products companies published in the press show that the dollar sales in the fourth quarter of 1984 rose 12% above the year-earlier level. These 32 companies account for over two-thirds of the sales total for all paper and allied products companies reported by the Department of Commerce in its Quarterly Financial Report.

Earnings of these 32 companies in the fourth quarter of 1984 declined about 46% from their year-ago level. This sharp decline reflected write-offs by several large companies for such purposes as restructuring operations, set asides for anticipated losses from the sale of facilities or losses on timber leases.

These write-offs had a strong impact on total 1984 after-tax profits for these companies. The gain over 1983 for the year as a whole was a respectable 33%, but the year-to-year gain in the three previous quarters had been 68%.

A similar pattern was reported by the 4 forest products companies with major paper holdings. Total sales by these companies rose 8% from the fourth quarter of 1983 to the fourth quarter of 1984, leading to an 11.5% gain in sales for 1984 as a whole. However, the fourth quarter 1984 after-tax profits for these 4 companies showed up as a loss, primarily because of a large write-off by one of the major companies in this group. Even with this write-off, the total earnings for the year gained 11% from the relatively depressed earnings of 1983.

The table below presents the summary data for the 32 paper companies and 4 forest products companies.

PAPER AND ALLIED PRODUCTS COMPANIES

SALES AND EARNINGS

	Sales			Net Profit After Taxes[1/]			Earnings/Sales	
	1984	1983	Change 84/83	1984	1983	Change 84/83	1984	1983
	(Million Dollars)		%	(Million Dollars)		%	%	%
32 Paper and Allied Products Companies								
First Quarter	11,929	9,913	+20.3	529.1	314.9	+ 68.0	4.4	3.2
Second Quarter	12,699	10,518	+20.7	717.1	393.2	+ 82.4	5.6	3.7
Third Quarter	12,425	10,864	+14.4	690.4	443.5	+ 55.7	5.6	4.1
Fourth Quarter	12,934	11,542	+12.1	274.4*	507.5	- 45.9*	2.1	4.4
YEAR	49,989	42,838	+16.7	2,211.1	1,659.1	+ 33.3	4.4	3.8
4 Forest Products Companies								
First Quarter	3,298	2,814	+17.2	115.4	59.0	+ 95.6	3.5	2.1
Second Quarter	3,698	3,354	+10.3	198.0	131.7	+ 50.3	5.4	3.9
Third Quarter	3,668	3,299	+11.2	147.7	62.6	+136.0	4.0	1.9
Fourth Quarter	3,537	3,267	+ 8.3	-74.4	95.4	N.M.	N.M.	2.9
YEAR	14,201	12,734	+11.5	386.7	348.6	+ 10.9	2.7	2.7

1/ As published; income from current operation is used when published separately.

* Reflects write-offs by several large companies.